



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/574,569	05/17/2000	Robert I.G. McLean	C1197-991100	7629

26379 7590 08/11/2004

GRAY CARY WARE & FREIDENRICH LLP
2000 UNIVERSITY AVENUE
E. PALO ALTO, CA 94303-2248

EXAMINER

DASS, HARISH T

ART UNIT	PAPER NUMBER
----------	--------------

3628

DATE MAILED: 08/11/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/574,569

Applicant(s)

MCLEAN ET AL.

Examiner

Harish T Dass

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 01 January 1952.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-52 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-52 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 101

In the present application, Claims 1-52 have no connection to the technological arts.

None of the steps indicate any connection to a computer or technology. See the following detail previously presented in non-final action.

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-52 remain rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of

Art Unit: 3628

whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is

Art Unit: 3628

presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In re Toma at 857.

In Toma, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in State Street Bank & Trust Co. v. Signature Financial Group, Inc. never addressed this prong of the test. In State Street Bank & Trust Co., the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See State Street Bank & Trust Co. at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See State Street Bank & Trust Co. at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, State Street abolished the Freeman-Walter-Abele test used in Toma. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in Toma because the invention in

Art Unit: 3628

State Street (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the Toma test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, Claims 1-52 have no connection to the technological arts. **None of the steps indicate any connection to a computer or technology.** Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the Examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts; for example: "computer is used to calculate average ...", such as incorporating a computer network or electronic network into the communicating steps; for example: "(a) communicating over a computer network a plurality of brand promotions...". The other claims could be similarly amended to include a computer network.

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States

Art Unit: 3628

only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-3, 5-11, 13-24, 26-30, 32-39, 41-46 and 48-52 remain rejected under 35

U.S.C. 102(e) as being anticipated by Eder (US 6,321,205).

Re. Claim 1, Eder discloses an automated system and method for evaluating the probable impact of changes in business value and future value of a commercial enterprise accounting for tangible assets as intangible assets, [Eder - Abs; Fig. 1-16; C1 L17-L54], and

developing a data structure including one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variable [Eder – see entire document particularly, [Eder - C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20],

determining a first present value (PV) of the future financial value stream of the business enterprise by aggregating the influences on the future financial value stream attributable to the assumed variables and adjusting the future financial value stream for a time value of money [Eder – C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67],

determining, in response to the occurrence or non-occurrence (different valuation methodology) of one or more of the future events, whether one or more of the assumed variables (estimated) have changed and whether the influenced future financial value stream has changed (comparing current value & previous value with different elements)

Art Unit: 3628

[C5 L16 to C6 L64; C24 L20-L33; C35 L35 to C37 L20; C44 L7-L67; C45 L57 to C46 L4].

determining a second present value of the future financial value stream taking into account the one or more assumed variables that changed in response to the occurrence or non-occurrence of the one or more of the future events [Eder - C28 L13-L60; C33 L24-L45].

Re. Claim 2, Eder discloses wherein determining the first present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized, and determining the second present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized taking into account an assessed probability that changed in response to the occurrence or non-occurrence of the one or more of the future events [C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67].

Re. Claim 3 Eder discloses wherein the future financial value stream is associated with activities of the business enterprise necessary to give rise to the events associated with the future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; ref. claim 1].

Art Unit: 3628

Re. Claim 5 Eder discloses changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables, and determining the present value of the future financial value stream based upon the alternate scenario [C35 L35-L49; C44 L7 to C46 L4]; and

comparing the present value of the future financial value stream based upon the alternate scenario to the first present value of the future financial value stream based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claims 6-7 Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream, and selecting two or more stakeholder perspectives from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; C14 table 7].

Re. Claim 8, Eder discloses determining a variance between the first present value and the second present value taking into account the time value of money between the first and second dates; and attributing (Quantity) the variance between the first present value and the second present value to events that occurred between the first and second dates [C10 L40 to C11 L21; LC14 table 7].

Art Unit: 3628

Re. Claim 9, Eder discloses an automated system and method for evaluating the probable impact of changes in business value and future value of a commercial enterprise accounting for tangible assets as intangible assets, [Eder - Abs; Fig. 1-16; C1 L17-L54], and

developing a data structure including a plurality of future financial value streams, each future financial value stream having one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variable [Eder - C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20];

determining a present value of each future financial value stream by aggregating the influences on the future financial value stream attributable to the assumed variables of the future financial value streams and adjusting the future financial value streams for a time value of money [C10 L41 to C12 L30; C17 L47-L67];

aggregating the present value of each future financial value stream to form a first aggregate present financial value of the plurality of future financial value streams [table 1 C5 L31 to C6 L25];

determining, in response to the occurrence or non-occurrence of one or more of the future events for one or more of the future financial value streams, whether one or more of the assumed variables have changed and whether the influenced future financial value stream has changed [C5 L16 to C6 L64; C24 L20-L33; C35 L35 to C37 L20]; and

forming a second aggregate present value of the plurality of future financial value streams taking into account the one or more assumed variables that changed in response to the occurrence or non-occurrence of the one or more of the future events [C 3 L60 to C4 L19; C5 L16 to C6 L64; C24 L20-L33; C35 L35 to C37 L20].

Re. Claim 10, Eder discloses wherein determining the present value of each future financial value stream further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized[C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67].

Re. Claim 11, Eder discloses wherein each of the plurality (multiple) of future financial value streams is associated with activities of the business enterprise necessary to give rise to the events associated with the corresponding future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; see ref. claim 1].

Re. Claim 13 Eder discloses changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables [C35 L35-L49; C44 L7 to C46 L4];

determining an aggregate present value of the plurality of future financial value streams based upon the alternate scenario [C35 L35-L49; C44 L7 to C46 L4], and

comparing the aggregate present value of the plurality of future financial value streams based upon the alternate scenario to the first aggregate present value of the

Art Unit: 3628

plurality of future financial value streams based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claims 14-15, Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the first and second aggregate present value of the plurality of future financial value streams and selecting two or more stakeholder perspectives from among a plurality of stakeholder perspectives for determining the first and second aggregate present value of the plurality of future financial value streams [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; LC14 table 7].

Re. Claim 16, Eder discloses determining a variance between the first aggregate present value and the second aggregate present value taking into account the time value of money between the first and second dates; and attributing the variance between the first aggregate present value and the second aggregate present value to events that occurred between the first and second dates [C10 L40 to C11 L21; LC14 table 7].

Re. Claim 17 Eder discloses developing a data structure including one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variable [- C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20];

determining a first present value of the future financial value stream of the business enterprise as of a first specified date by aggregating the influences on the future financial value stream attributable to the assumed variables and adjusting the future financial value stream for a time value of money [C10 L41 to C12 L30; C17 L47-L67];

determining a second present value of the future financial value stream of the business enterprise as of a second specified date by aggregating the influences on the future financial value stream attributable to the assumed variables and adjusting the future financial value stream for a time value of money [C11 L36 to C12 L30; table 1 C5; C28 L13-L60; C33 L24-L45] and forecasting [C13 L54 to C14 L40; table 7], and determining a variance between the first present value and the second present value taking into account a time value of money between the first and second dates (delivery date variance), and attributing the variance between the first present value and the second present value to events that occurred between the first and second specified dates (Quantity) [C10 L40 to C11 L21; LC14 table 7].

Re. Claim 18 Eder discloses wherein determining a first present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized, and determining the second present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized [C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67].

Re. Claim 19, Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; LC14 table 7].

Re. Claim 20, Eder discloses determining a present value of each of a plurality of additional future financial value streams and aggregating the present value of the future financial value stream and the plurality of additional future financial value streams to form an aggregate present financial value of future financial values streams [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C24 L60 to C25 L56; C19 L3-L20].

Re. Claim 21 Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining a present value of a future financial value stream of the business enterprise [Figure. 2, 4, 7, 14-15; C11 L1 to C12 L30];

developing a data structure including one or more assumed variables that have an influence on the future financial value stream of the business enterprise from the perspective of the selected stakeholder and at least one future or past event for each assumed variable that influences the corresponding assumption [C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20]; and

determining a present value of the future financial value stream of the business enterprise from the perspective of the selected stakeholder by aggregating the influences on the future financial value stream attributable to the assumed variables and

Art Unit: 3628

adjusting the future financial value stream for a time value of money [C11 L36 to C12 L30 ;].

Re. Claim 22 Eder discloses wherein determining the present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized [C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67].

Re. Claim 23 Eder discloses wherein the future financial value stream is associated with activities of the business enterprise necessary to give rise to the events associated with the future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; ref. claim 1].

Re. Claim 24 Eder discloses selecting one or more additional stakeholder perspectives from among the plurality of stakeholder perspectives for determining the first present value of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; C14 table 7].

Re. Claim 26 Eder discloses changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables, and determining the present value of the future financial value stream based upon the alternate scenario; and comparing the present value of the future financial value stream based upon the

Art Unit: 3628

alternate scenario to the first present value of the future financial value stream based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claim 27, Eder discloses determining a present value of each of a plurality of additional future financial value streams from the perspective of the selected stakeholder; and aggregating the present value of the future financial value stream and the plurality of additional future financial value streams to form an aggregate present financial value of future financial values streams [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C24 L60 to C25 L56; C19 L3-L20].

Re. Claim 28, Eder discloses repeatedly determining and presenting a series of updated present values of the future financial value stream, each updated present value determined from the events and assumed variables in the data structure including any assumed variables that have changed in response to the occurrence or non-occurrence of one or more of the future events [C5 L16 to C6 L64; C24 L20-L33; C28 L13-L60; C33 L24-L45; C35 L35 to C37 L20; C44 L7 to C46 L4; C34 L21-L63; C39 L16-L35].

Re. Claim 29 Eder discloses developing a data structure including one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variable [C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20];

identifying and segregating risks specific to the future financial value stream from risks specific to the business enterprise or industry as a whole, and assigning probabilities to the events or assumed variables based on the identified risks [C35 L12 to C37 L20];

determining a first present value of the future financial value stream of the business enterprise by aggregating the influences on the future financial value stream attributable to the assumed variables, adjusting the future financial values stream by the assigned probabilities, and further adjusting the future financial value stream for a time value of money [C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67];

determining, in response to the occurrence or non-occurrence of one or more of the future events, whether one or more of the assumed variables have changed and whether the influenced future financial value stream has changed [C5 L16 to C6 L64; C24 L20-L33; C35 L35 to C37 L20]; and

determining a second present value of the future financial value stream taking into account the one or more assumed variables that changed in response to the occurrence or non-occurrence of the one or more of the future events [C28 L13-L60; C33 L24-L45].

Re. Claim 30 Eder discloses wherein the future financial value stream is associated with activities of the business enterprise necessary to give rise to the events associated with

Art Unit: 3628

the future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; ref. claim 1].

Re. Claim 32, Eder discloses changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables;

determining the present value of the future financial value stream based upon the alternate scenario; and

comparing the present value of the future financial value stream based upon the alternate scenario to the first present value of the future financial value stream based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claims 33-34, Eder selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream and selecting two or more stakeholder perspectives from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; LC14 table 7].

Re. Claim 35, Eder discloses determining a variance between the first present value and the second present value taking into account the time value of money between the first and second dates; and attributing the variance between the first present value and

Art Unit: 3628

the second present value to events that occurred between the first and second specified dates [C10 L40 to C11 L21; LC14 table 7].

Re. Claim 36, Eder discloses determining a present value of each of a plurality of additional future financial value streams; and aggregating the present value of the first future financial value stream and the plurality of additional future financial value streams to form an aggregate present financial value of future financial values streams [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C24 L60 to C25 L56; C19 L3-L20].

Re. Claim 37 Eder discloses developing a data structure including one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variable [C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20];

determining a present value of the future financial value stream of the business enterprise by aggregating the influences on the future financial value stream attributable to the assumed variables and adjusting the future financial value stream for a time value of money, wherein the events and assumed variables collectively form a base case scenario for the business enterprise, and the first present value of the future financial value stream is based upon the base case scenario [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C35 L12 to C37 L20];

changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables [C35 L35-L49; C44 L7 to C46 L4], and determining the present value of the future financial value stream based upon the alternate scenario [C35 L35-L49; C44 L7 to C46 L4], and

comparing the present value of the future financial value stream based upon the alternate scenario to the first present value of the future financial value stream based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claim 38 Eder discloses wherein determining the present value further comprises adjusting the future financial value stream by an assessed probability that the influences on the financial value stream will be realized [C35 L35-L49; C44 L7 to C46 L4].

Re. Claim 39 Eder discloses wherein the future financial value stream is associated with activities of the business enterprise necessary to give rise to the events associated with the future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; ref. claim 1].

Re. Claims 41-42, Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the present value of the future financial value stream and selecting two or more stakeholder perspectives from among a plurality of stakeholder perspectives for determining the present value of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; LC14 table 7].

Re. Claim 43, Eder discloses determining a present value of each of a plurality of additional future financial value streams; and aggregating the present value of the first future financial value stream and the plurality of additional future financial value streams to form an aggregate present financial value of future financial values streams [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C24 L60 to C25 L56; C19 L3-L20].

Re. Claim 44 Eder discloses developing a data structure including one or more assumed variables that have an influence on a future financial value stream of the business enterprise and at least one future or past event for each assumed variable that influences the corresponding assumed variables [C12 L3-L8; C17 L5 to C18 L12; C19 L3-L20];

determining a first present value of the future financial value stream of the business enterprise by aggregating the influences on the future financial value stream attributable to the assumed variables and adjusting the future financial value stream for a time value of money [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67]; and

repeatedly determining and presenting a series of updated present values of the future financial value stream, each updated present value determined from the events and assumed variables in the data structure including any assumed variables that have changed in response to the occurrence or non-occurrence of one or more of the future events [C5 L16 to C6 L64; C24 L20-L33; C28 L13-L60; C33 L24-L45; C35 L35 to C37 L20; C44 L7 to C46 L4; C34 L21-L63; C39 L16-L35].

Re. Claim 45 Eder discloses wherein determining the first present value and determining each updated present value further comprise adjusting the future financial value stream by an assessed probability that the influences on the future financial value stream will be realized [C35 L12 to C37 L20; C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67].

Re. Claim 46 Eder discloses wherein the future financial value stream is associated with activities of the business enterprise necessary to give rise to the events associated with the future financial value stream [Fig. 14 such as: brand-names, customer-base, etc; ref. claim 1].

Re. Claim 48 Eder discloses changing one or more of the assumed variables, to form an alternate scenario including the changed assumed variables, and determining the present value of the future financial value stream based upon the alternate scenario; and comparing the present value of the future financial value stream based upon the alternate scenario to the first present value of the future financial value stream based upon the base case scenario [C35 L35-L49; C44 L7 to C46 L4].

Re. Claims 49-50, Eder discloses selecting a stakeholder perspective from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream and selecting two or more stakeholder perspectives

Art Unit: 3628

from among a plurality of stakeholder perspectives for determining the first and second present values of the future financial value stream [Figure. 2, 4, 7, 14-15; C10 L1 to C12 L30; LC14 table 7].

Re. Claim 51, Eder discloses determining a variance between the first present value and the selected updated present value taking into account the time value of money between the first and second dates; and attributing the variance between the first present value and the selected updated present value to events that occurred between the first and second dates [C10 L40 to C11 L21; LC14 table 7].

Re. Claim 52, Eder discloses determining a present value of each of a plurality of additional future financial value streams; and aggregating the present value of the first future financial value stream and the plurality of additional future financial value streams to form an aggregate present financial value of future financial values streams [C5 table 1 to C6 L25; C10 L41 to C12 L30; C17 L47-L67; C24 L60 to C25 L56; C19 L3-L20].

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4, 12, 25, 31, 40 & 47 remain rejected under 35 U.S.C. 103(a) as being unpatentable over Eder in view of Pilipovic (US 6,456,982)

Re. Claims 4, 12, 25, 31, 40 & 47, Eder discloses determining a present value of the future financial value stream by aggregating influences on the future financial value stream attributable to past events [C10 L41 to C12 L30; C17 L5 to C18 L12; C19 L3-L20]. Eder, explicitly, does not disclose determining a reliability index that is indicative of relative magnitudes of the present value of the future financial value stream attributable to past events and the present value of the future financial value stream attributable to future events. However, Pilipovic discloses determining a reliability index (projection distribution) that is indicative of relative magnitudes of the present value of the future financial value stream attributable to past events and the present value of the future financial value stream attributable to future events [Figure 14b, 14d; C1 L21 to C2 L50; C3 L30-L38; C16 L10-L16]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art in financial reliability and risk assessment to modify the disclosure of Eder and include reliability index, as taught by Pilipovic, to calculate and predict the uncertain future value forecast and goal to meet.

Response to Arguments

2. Applicant's arguments filed 5/11/2004 have been fully considered but they are not persuasive. Applicant arguments (34 pages) are general remarks that explains the current applicant's specification and his interpretation of prior arts (Eder – US 6,321,205

Art Unit: 3628

and Pilipovic -US 6,456,982). Applicant failed to specifically point out what is missing in office action with respect to current claims. For example, remark with respect to Eder's evaluation of intangible assets. Eder method cover's more functions than the applicant's invention. In respect to future value, see Eder's col. 4 lines 59-67 which includes "all elements of the enterprise" and "simulations for business in new industries."

Conclusion

3. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

(previously presented) US 6,016,480 to Houvener et al, January 18, 2000

"Merchandise return fraud prevention system and method", this invention discloses the present invention relates to a field of fraud prevention. Specifically, the invention is directed to a system and method for preventing fraudulent merchandise return transactions by positively identifying persons initiating return transactions and by building and maintaining a remote return history database, which can be accessed from the point of merchandise return as required, and a return history score that indicates that an individual has initiated a large number of return transactions within a short period of time may be an indication that return fraud is occurring. Another type of return history data that could be derived by the return history analyzer would be a return fraud probability index, which would be calculated by the return history analyzer and could incorporate other factors in addition to a simple return history score, such as whether a high volume of returns occurred shortly after a holiday period. In any event, forwarding summarized of derived return history data to the point of return terminal would eliminate the need for a clerk to him or herself analyze a complete return history record at the time of the return transaction.

(previously presented) US 5,893,072 to Zizzamia, April 6, 1999 "Insurance classification plan loss control system", this invention discloses a loss control system for an insurance classification plan has a policy holder database, a predictive apparatus and a derived actual loss ratio generator. The policy holder database generates signals indicative of the premium, actual loss, a one a plurality of classification plan variable values and an actual loss ratio for each policy holder. The predictive apparatus generates a plurality of predicted loss ratio signals indicative of predicted loss ratios of the policy holders. The derived actual loss ratio generator generates signals which are

indicative of a difference between the predicted loss ratio and the actual loss ratio of the policy holders.

(previously presented) US 6,363,333 to Deco et al, March 26, 2002 "Method of classifying statistical dependency of a measurable series of statistical values" this invention discloses a time series that is established by a measured signal of a dynamic system, for example a quotation curve on the stock market, is modelled according to its probability density in order to be able to make a prediction of future values. A non-linear Markov process of the order m is suited for describing the conditioned probability densities. A neural network is trained according to the probabilities of the Markov process using the maximum likelihood principle, which is a training rule for maximizing the product of probabilities. The neural network predicts a value in the future for a prescribable number of values m from the past of the signal to be predicted. A number of steps in the future can be predicted by iteration. The order m of the non-linear Markov process, which corresponds to the number of values from the past that are important in the modelling of the conditioned probability densities, serves as parameter for improving the probability of the prediction.

(previously presented) US 6,411,936 to Sanders, June 2002 "Enterprise value enhancement system and method", this invention provides a method and a system that focuses on the value enhancement of an enterprise in its entirety rather than on only one specific aspect or area, such as marketing, finance, or strategy. I use a globally networked total solution system that delivers enterprise value enhancement through solution sets most appropriate for execution by specific functions for delivery of enhanced value. A field feedback engine is part of the design of my enterprise value enhancement system and captures and optimizes engagement, commitment and

expertise of the field for the best use of the enterprise to maximize value enhancement. Additionally, my inventive system allows for customization and personalization of solutions for enterprise value enhancement to a greater degree than does the prior art.

(previously provided) Financial Management - By Jae K. Shim and Joel G. Siegel, second Edition publisher, BARRON'S, 2000, total of 11 pages. ISBN 0-7641-1402-6.

(previously presented) Gordon et al, 2nd edition (1994) and 3rd edition (2000) "Valuation of Intellectual Property and Intangible Assets" comprehensive detail books for evaluation of intellectual properties including patents and trademarks. Attached are selected pages of the text, relevant to present application (selected pages only).


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S Sough can be reached on 703-308-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Harish T Dass
Examiner
Art Unit 3628

8/5/2004


HYUNG SOUGH
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600